will result in a return to the successful bidder of any overpayment.

NOTE:

The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as hereinabove reserved.

Applicant: Gray Production Company

Bidder	Cash Payment	Price / Acre	Rental	Oil	Gas	Other

LOUISIANA SHORE LINE TR 33611 920.46 +/- ACS. **JULY, 2001** BLK. BLK. 5 S. L. 3762 S. L. 3842 P.O.B. X= 1,647,382.17' Y= 317,800.00' S. L. 3763 S. L. 3624 2000' 2000'

TRACT 33612 - PORTION OF BLOCK 16, VERMILION AREA, REVISED, Vermilion Parish, Louisiana

That portion of Block 16, Vermilion Area, Revised, Vermilion Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on July 11, 2001, described as follows: Beginning at the Southwest corner of said Block 16 having coordinates of X = 1,647,382.17 and Y = 306,493.68; thence North 7,836.87 feet along the West boundary of said Block 16 to the Southwest corner of State Lease No. 3763, as amended, having Coordinates of X = 1,647,382.17 and Y = 314,330.55; thence along the Southern boundary of said State Lease No. 3763, as amended, the following courses: degrees 32 minutes 54 seconds East 1,771.53 feet to a point having Coordinates of X = 1,648,709.96 and Y = 313,157.82; South 48 degrees 50 minutes 00 seconds East 1,031.90 feet to a point having Coordinates of X =1,649,486.77 and Y = 312,478.57; East 2,231.22 feet to a point having Coordinates of X = 1,651,717.99 and Y = 312,478.57; South 08 degrees 54 minutes 37 seconds East 36.35 feet to a point having Coordinates of X = 1,651,723.62 and Y = 312,442.66; South 13 degrees 52 minutes 58 seconds East 166.50 feet to a point having Coordinates of X = 1,651,763.57 and Y =312,281.02; South 21 degrees 50 minutes 10 seconds East 246.22 feet to a point having Coordinates of X = 1,651,855.15 and Y = 312,052.47; North 86 degrees 37 minutes 06 seconds East 660.49 feet to a point having Coordinates of X = 1,652,514.49 and Y = 312,091.43; North 83 degrees 44 minutes 53 seconds East 502.58 feet to a point having Coordinates of X = 1,653,014.08and Y = 312,146.16; North 79 degrees 37 minutes 41 seconds East 246.34 feet to a point having Coordinates of X = 1,653,256.39 and Y = 312,190.51; North 75 degrees 35 minutes 37 seconds East 500.25 feet to a point having Coordinates of X = 1,653,740.91 and Y = 312,314.97; North 71 degrees 34 minutes 06 Seconds East 286.52 feet to a point having Coordinates of X = 1,654,012.73 and Y = 312,405.56; North 66 degrees 39 minutes 07 seconds East 787.41 feet to a point having Coordinates of X = 1,654,735.66 and Y =312,717.62; North 56 degrees 25 minutes 23 seconds East 1,942.45 feet to a point having Coordinates of X = 1,656,354.00 and Y = 313,791.90; thence South 8,721.90 feet to a point on the Southern boundary of said Block 16 having Coordinates of X = 1,656,354 and Y = 305,070; thence along the Southern boundary of said Block 16 the following courses: Northwesterly on an arc to the right with a radius of 18,240.60 feet to a point having Coordinates of X = 1,652,650 and Y = 305,356; Northwesterly on a straight line to a point having Coordinates of X = 1,650,184 and Y = 305,802; Northwesterly on a straight line to a point having Coordinates of X = 1,648,635 and Y = 306,152; Northwesterly on a straight line to the point of beginning, containing approximately 1,480.87 acres, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources LESS AND EXCEPT that portion thereof, if any, which is more than three nautical miles from the coast line as determined by the Report of the Special Master in the litigation in the Supreme Court of the United States styled United States v. State of Louisiana et al No. 9 Original, said three mile line as set out in the June, 1975, decree of the Supreme Court, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

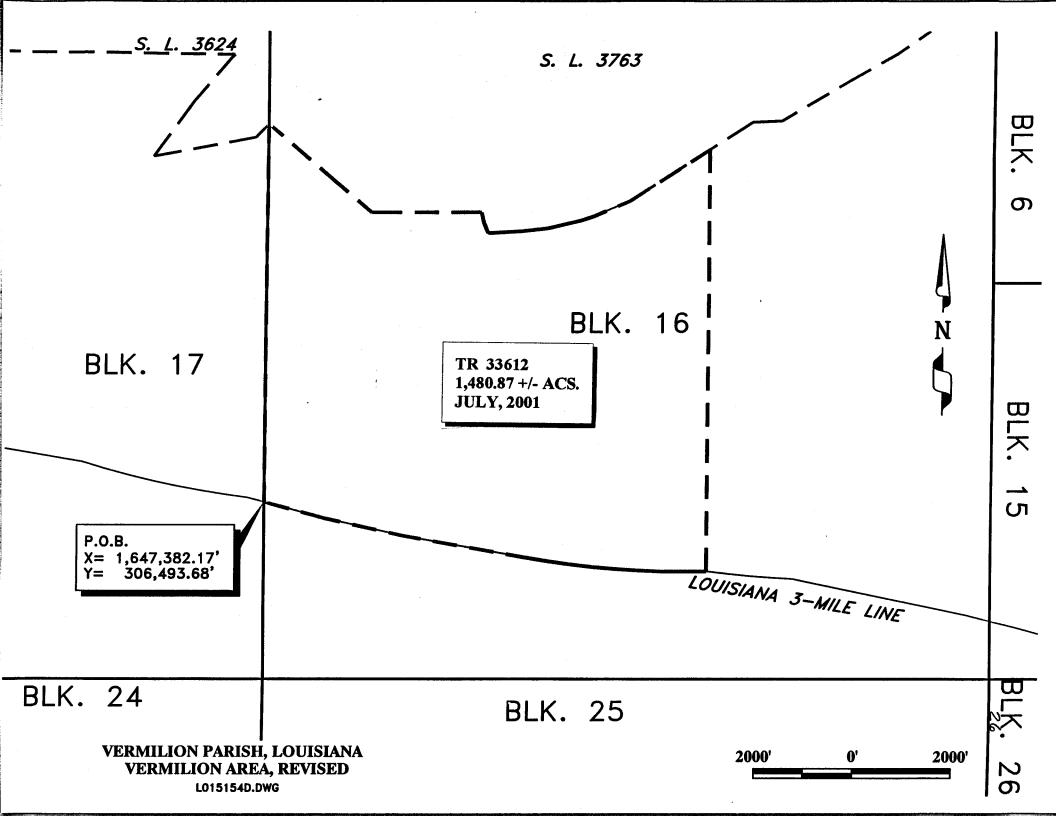
NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been

checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. determinations may render all or a portion of the bid area unleasable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleasable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleasable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as hereinabove reserved.

Applicant: Gray Production Company

Bidder	Cash Payment	Price / Acre	Rental	Oil	Gas	Other



TRACT 33613 - PORTION OF BLOCK 16, VERMILION AREA, REVISED, Vermilion Parish, Louisiana

That portion of Block 16, Vermilion Area, Revised, Vermilion Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on July 11, 2001, described as follows: Beginning at the Southeast corner of said Block 16 having Coordinates of X = 1,662,140.22 and Y = 304,033.13; thence along the Southern boundary of said Block 16 the following courses: Northwesterly on a straight line to a point having Coordinates of X =1,661,678 and Y = 304,151; Northwesterly on a straight line to a point having Coordinates of X = 1,659,494 and Y = 304,616; Northwesterly on a straight line to a point having Coordinates of X = 1,659,476 and Y = 304,620; Northwesterly on a straight line to a point having Coordinates of X =1,658,120 and Y = 304,910; Northwesterly on an arc to the right with a radius of 18,240.60 feet to a point having Coordinates of X = 1,656,354 and Y =305,070; thence North 8,721.90 feet to a point on the Southern boundary of State Lease No. 3763, as amended, having Coordinates of X = 1,656,354.00 and Y = 313,791.90; thence along the said Southern boundary of State Lease No. 3763, as amended, the following courses: North 56 degrees 25 minutes 23 seconds East 1,047.65 feet to a point having Coordinates of X = 1,657,226.85and Y = 314,371.31; North 87 degrees 18 minutes 26 seconds East 596.22 feet to a point having Coordinates of X = 1,657,822.41 and Y = 314,399.32; North 58 degrees 44 minutes 03 seconds East 1,687.27 feet to a point having Coordinates of X = 1,659,264.63 and Y = 315,275.03; North 59 degrees 16minutes 15 seconds East 1,025.81 feet to a point having Coordinates of X =1,660,146.41 and Y = 315,799.20; North 54 degrees 35 minutes 36 seconds East 780.63 feet to a point having Coordinates of X = 1,660,782.67 and Y =316,251.48; North 50 degrees 50 minutes 26 seconds East 743.10 feet to a point having Coordinates of X = 1,661,358.86 and Y = 316,720.73; North 20 degrees 42 minutes 29 seconds East 921.63 feet to its Northeast corner on the North boundary of said Block 16 having Coordinates of X = 1,661,684.76 and Y = 317,582.82; thence East 455.46 feet along the said North boundary of Block 16 to its Northeast corner having Coordinates of X = 1,662,140.22 and Y =317,582.82; thence South 13,549.69 feet along the East boundary of said Block 16 to the point of beginning, containing approximately 1,433.76 acres, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, LESS AND EXCEPT that portion thereof, if any, which is more than three nautical miles from the coast line as determined by the Report of the Special Master in the litigation in the Supreme Court of the United States styled United States v. State of Louisiana et al No. 9 Original, said three mile line as set out in the June, 1975, decree of the Supreme Court, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

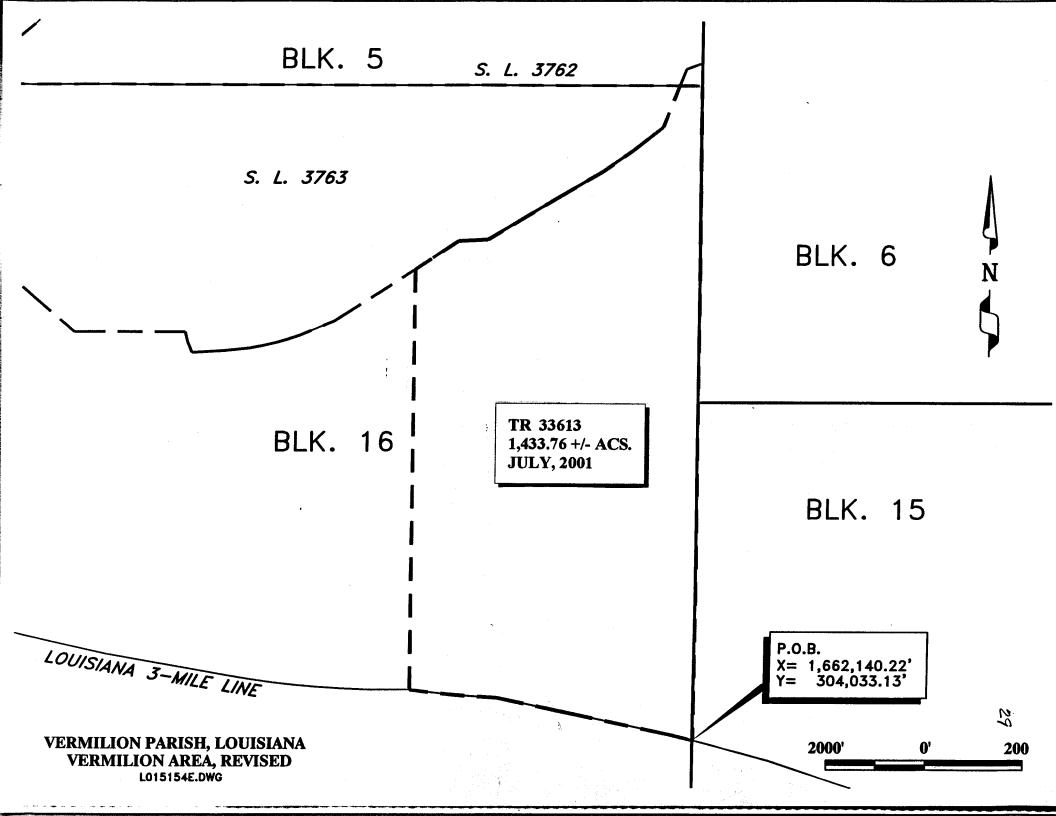
NOTE: The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of

Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. Once a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. determinations may render all or a portion of the bid area unleasable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleasable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleasable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as hereinabove reserved.

Applicant: Gray Production Company

Bidder	Cash Payment	Price / Acre	Rental	Oil	Gas	Other
					-	



TRACT 33614 - PORTION OF BLOCK 7, SOUTH TIMBALIER AREA, REVISED, Terrebonne Parish, Louisiana

That portion of Block 7, South Timbalier Area, Revised, Terrebonne Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on July 11, 2001, described as follows: Beginning at the Northeast corner of Block 7, South Timbalier Area, Revised, having Coordinates of 2,202,046.02 and Y = 139,683.33; thence South 4,218.11 feet to a point having Coordinates of X = 2,202,046.02 and Y = 135,465.22; thence West 15,618.47 feet to a point having Coordinates of X = 2,186,427.55 and Y = 135,465.22; thence North 00 degrees 17 minutes 30 seconds West 495.69 feet to a point having Coordinates of X = 2,186,425.03 and Y = 135,960.90; thence Northeasterly on a straight line to a point having Coordinates of X =2,186,596 and Y = 135,997; thence Northeasterly on a straight line to a point having Coordinates of X = 2,192,330 and Y = 136,944; thence Northeasterly on a straight line to a point having Coordinates of X = 2,198,296 and Y =138,515; thence Northeasterly on a straight line to the point of beginning, containing approximately 757.29 acres, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

NOTE:

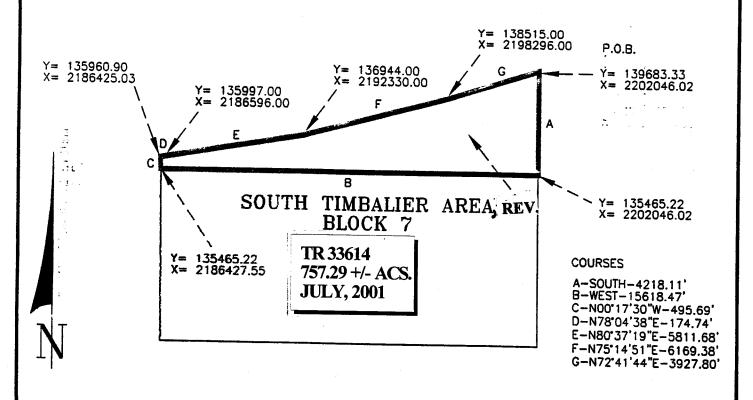
The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. determinations may render all or a portion of the bid area unleasable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleasable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleasable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases

a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease being issued. A determination of less State acreage in the bid area will result in a return to the successful bidder of any overpayment.

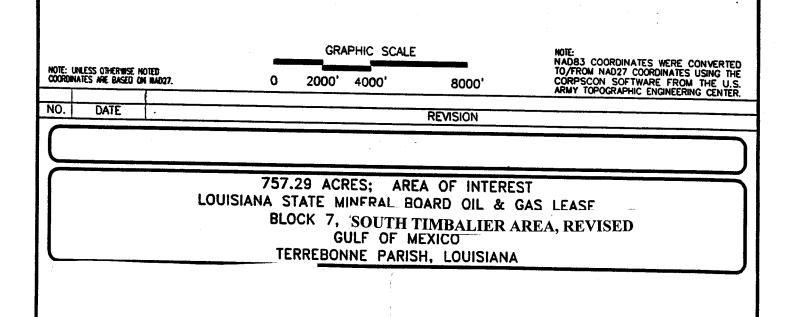
NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as hereinabove reserved.

Applicant: D. Andrews

Bidder	Cash Payment	Price / Acre	Rental	Oil	Gas	Other



GULF OF MEXICO



TRACT 33615 - PORTION OF BLOCK 7, SOUTH TIMBALIER AREA, REVISED, Terrebonne Parish, Louisiana

That portion of Block 7, South Timbalier Area, Revised, Terrebonne Parish, Louisiana, belonging to the State of Louisiana and not under mineral lease on July 11, 2001, described as follows: Beginning at the Southeast corner of Block 7, South Timbalier Area, Revised, having Coordinates of X = 2.202.046.02 and Y = 128.484.76; thence West along the South line of said Block 7 15,582.93 feet to a point having Coordinates of X = 2.186.463.09 and Y = 128.484.76; thence North 00 degrees 17 minutes 30 seconds West 6.980.55 feet to a point of having Coordinates of X = 2.186.427.55 and Y = 135.465.22; thence East 15,618.47 feet to a point having Coordinates of X = 2.202.046.02 and Y = 135.465.22; thence South 6.980.46 feet to the point of beginning, containing approximately 2.500.00 acres, as shown outlined in red on a plat on file in the Office of Mineral Resources, Department of Natural Resources, as provided by the applicant. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927 (South Zone).

NOTE:

The boundary description and plat for this tract as shown and as advertised were supplied by the nominating party and have not been checked for accuracy by the staff of the Office of Mineral Resources. Anything which may affect the acreage, the shape or the location of the tract, such as non-closure of or incorrect X, Y coordinates or title disputed acreage, or which may affect the status of the tract for leasing, such as overlap of prior leases or nominated tracts, or which may affect potential operations on leases taken, such as inclusion in areas under the jurisdiction of the Department of Wildlife and Fisheries, will not be specifically determined unless and until a bid on this tract is accepted by the Mineral Board; which bid will be accepted on a per acre basis and which acceptance will be conditional upon such specific determinations being made. a bid is conditionally accepted by the Mineral Board, the staff will, within a period following the date of the lease sale, determine the acreage, shape and location of the potential lease area of the tract, the status for leasing of all or any portion thereof, and any conditions which may affect potential operations thereon. determinations may render all or a portion of the bid area unleasable or may increase or decrease the State claimed acreage such that the total bonus/rental ultimately required may either exceed the bonus/rental paid at the lease sale, which will require additional payment by the successful bidder, or allow the successful bidder a refund of excessive payment. The successful bidder will be notified of the determinations by the staff and given an opportunity to view the bid area acreage, configuration and location as it has been specifically determined. If all or a portion of the bid area is unleasable due to overlap of an existing lease, the successful bidder will be given an opportunity to accept or reject a new lease on that portion of the bid area which is not unleasable. If rejected, the bid and all monies accompanying the bid will be returned to the successful bidder and no lease will be issued. In all other cases a new lease will be issued and any additional per acre bonus/rental, 10% administration fee or \$10 and \$5 per acre fees due as a result of staff determination of more State acreage in the bid area than determined by the successful bidder will be paid prior to the lease